

Article - Estates and Trusts

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§14.5–108.

(a) Without precluding other means for establishing a sufficient connection with the designated jurisdiction, terms of a trust designating the principal place of administration are valid and controlling if:

(1) The principal place of business of a trustee is located in or a trustee is a resident of the designated jurisdiction; or

(2) All or part of the administration of the trust occurs in the designated jurisdiction.

(b) A trustee is under a continuing duty to administer the trust at a place appropriate to its purposes, its administration, and the interests of the beneficiary.

(c) Without precluding the right of the court to order, approve, or disapprove a transfer, the trustee, in furtherance of the duty under subsection (b) of this section, may transfer the principal place of administration of the trust to another state or a jurisdiction outside the United States.

(d) (1) The trustee shall notify the qualified beneficiaries of a proposed transfer of a trust's principal place of administration not less than 60 days before initiating the transfer.

(2) The notice of proposed transfer under paragraph (1) of this subsection must include:

(i) The name of the jurisdiction to which the principal place of administration is to be transferred;

(ii) The address and telephone number at the new location at which the trustee can be contacted;

(iii) An explanation of the reasons for the proposed transfer;

(iv) The date on which the proposed transfer is anticipated to occur; and

(v) The date, not less than 60 days after the giving of the notice, by which the qualified beneficiary must notify the trustee of an objection to the proposed transfer.

(e) The authority of a trustee under this section to transfer a trust's principal place of administration terminates if a qualified beneficiary notifies the trustee of an objection to the proposed transfer on or before the date specified in the notice.

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